

Testimony on the History of the LIEEF funded Michigan Renewable Schools Program

BACKGROUND

The Michigan Renewable Schools Program (MRSP) was established in 2009 by a grant from the Low Income and Energy Efficiency Fund (LIEEF). The MRSP is administered by Energy Works Michigan (EWM), a non-profit organization that employs 6 full time professionals and 1 part time position. The \$1.7 million annual allocation represented the first time Michigan schools received significant benefit from the LIEEF fund. Michigan K-12 schools consume approximately 2% of Michigan's energy, and this allocation allowed them to receive an equitable proportion of the funds they contributed through an energy efficiency program designed to benefit all customer classes.

METHOD

The MRSP provides technical assistance and targeted incentive financing to schools and school districts. The staff of Energy Works Michigan provides quality assurance oversight of the work of pre-qualified architects, engineers, and building contractors at partner schools. *The program is not a give-away program.* Partner schools are required to contribute both personnel resources and financial resources to projects. Over the first 2 years of the program, SOM funds of \$3.3 million were matched by \$5.2 million in funds from schools. By far the greatest leverage came from the Energy Efficiency Program with a SOM contribution of \$850,000 and a schools contribution of \$3.5 million – a leverage of over 5:1. A wide range of building infrastructure improvements have been implemented, including: boiler maintenance and replacement, lighting upgrades, demand controlled ventilation, lighting and mechanical systems controls, and building envelope improvements.

<u>RESULTS</u>

Michigan's 5,000 public, public charter and independent schools spend \$750 million annually on utilities. Through cost effective efficiency improvements, schools could save 20-30% of these costs or \$150 -\$225 million annually. This equates to an annual savings of \$75 - \$110 per pupil and over \$2 billion in the life of the building improvements. The MRSP is helping schools achieve these savings, while educating our next generation to make wise energy choices for the rest of their lives. As a result of the first 2 years of the program, 67 Michigan schools are saving over \$400,000 annually in utility cost and \$11 million over the life of the installed equipment. In addition, over 200 teachers have been trained on new curriculum materials to bring energy literacy into the classrooms of thousands of students.

Attached to this testimony is a list of schools that participated in the first 2 years, and a list of the 30 schools and districts that applied and were accepted to participate in 2011 but will not be receiving services due to the recent court decision. These schools represent the full geographic and socioeconomic diversity of the state.

BENEFITS FOR THE CLASSROOM AND STUDENTS

Michigan has for too long been under continual economic pressure from volatile energy prices beyond our control. As we continue to import 90% of our energy and send 70 cents of every energy dollar out of the state, it is critical that we invest in energy efficiency in our schools to stabilize operating costs and allows precious dollars to flow back into the classroom. In addition to cost savings, energy efficiency upgrades to school infrastructure improve the learning environment by providing better lighting, ventilation, and thermal comfort. Studies have shown significant reductions in off task behavior, increased concentration levels, and lower absenteeism leading to better achievement and test scores — in some cases as high as a 20% improvement in test scores.

A COMPLIMENT TO THE UTILITY ENERGY OPTIMIZATION (EO) PROGRAMS

The utility managed Energy Optimization Programs (EO) provide a great resource for schools and districts. Though initially there were some issues with the calendar year structure of the programs when they were first offered, mechanisms are now in place so that schools, operating on the school year cycle, can access their share of the incentives. Anecdotal evidence suggests that K-12 schools received the second highest amount of incentives from EO programs after industrial customers. In part, this high level of participation is the result of the MRSP which provides the technical assistance and planning services to help guide schools and districts to cost-effective energy efficiency improvements. Without the assistance of the MRSP, many schools and school districts would not have been able to take advantage of the utility energy efficiency rebate programs.

VALUE OF MICHIGAN'S ENERGY PUBLIC BENEFIT PROGRAM - LIEEF

In 2009, 18 states had public benefit programs supported by a utility surcharge. These states recognized the value of the mechanism in providing critical resources typically not provided by utilities. In the case of the LIEEF, the direct assistance to low-income customers is complimented by programs, such as the MRSP, that educate all customers and help them make wise energy decisions. While LIEEF is addressing the immediate needs of customers facing utility shut-off, it is also reducing operating costs at public institutions and education our next generation about energy efficiency. These coordinated programs serve an immediate crisis and at the same time building capacities in our society to not only reduce our energy expenditure, but to succeed in our energy future.

Respectfully Submitted,

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Attached:

School Partners 2009-2011 – Map and List Pending Partner Schools - School Year 2011/12 Michigan Companies Benefiting from the MRSP



MRSP Partner Schools 2009-2011 - Map



MRSP Partner Schools 2009-2011 - List

Adams Township School District - Painesdale, MI

Advanced Technology Academy - Dearborn, MI

Airport Community School District - Carleton, MI

Allen Park Public Schools - Allen Park, MI

Alma School District - Alma, MI

Aus Gres-Sims Schools – Aus Gres, MI

Baraga Area Schools - Baraga, MI

Bay-Arenac Intermediate School District – Bay City, MI

Burt Township Schools - Grand Marais, MI

Caro Community Schools - Caro, MI

CASMAN Alternative Academy – Manistee, MI

Clarkston Community Schools - Clarkston, MI

Decatur Public Schools - Decatur, MI

Delton Kellogg Schools - Delton, MI

Detroit Community High School - Detroit, MI

Detroit Edison Public School Academy - Detroit, MI

Detroit Public Schools - Detroit, MI

Detroit Urban Lutheran - Detroit, MI

DeWitt Public Schools - DeWitt, MI

Forest Park School District-Crystal Falls, MI

Freeland Community School District - Freeland, MI

Friends School in Detroit - Detroit, MI

Gladstone Area Public Schools - Gladstone, MI

Grant Public Schools - Grant, MI

Greenhills School - Ann Arbor, MI

Greenville Public Schools - Greenville, MI

Grosse Pointe Public Schools - Grosse Pointe, MI

Hartford Public School District - Hartford, MI

Hudsonville Public Schools - Hudsonville, MI

Iron Mountain Public Schools – Iron Mountain, MI

Kent Intermediate School District - Grand Rapids, MI

Laingsburg Community School District - Laingsburg, MI

Mackinac Island Public Schools - Mackinac Island, MI

Manistee Area Public Schools - Manistee, MI

Norway-Vulcan Area Schools - Norway, MI

Oakridge Public Schools - Muskegon, MI

Onsted Community Schools - Onsted, MI

Riverview Community School District - Riverview, MI

Romeo Community Schools - Romeo, MI

Roseville Community Schools - Roseville, MI

Rudolf Steiner – Ann Arbor, MI

Sault Ste. Marie Area Public Schools – Sault Ste. Marie, MI

South Lyon Community Schools – South Lyon, MI

South Redford School District – Redford, MI

St. Clair County Regional Educational Service Agency – Port Huron, MI

St. Joseph's Catholic School – Wayne, MI

Suttons Bay Public Schools – Suttons Bay, MI

Swartz Creek Community Schools – Swartz Creek, MI

The Public Schools of Calumet – Calumet, MI

Tuscola Intermediate School District – Tuscola, MI

Upland Hills School – Oxford, MI

West Bloomfield School District – West Bloomfield, MI

Woodhaven-Brownstown School District – Brownstown, MI

Ypsilanti Public Schools – Ypsilanti, MI

Pending Partner Schools - School Year 2011/12

(No longer receiving services due to cancellation of LIEEF)

2011-2012 School Year – Renewable Energy Projects

Addison Community Schools – Addison, MI
Calhoun Intermediate School District – Battle Creek, MI
Clarkston Community Schools – Clarkston, MI
Eaton Rapids School District – Eaton Rapids, MI
Holt Public Schools – Holt, MI
New Haven Community Schools – New Haven, MI
Northville Public Schools – Northville, MI
Northwest Community Schools – Jackson, MI
Oakridge Public Schools – Muskegon, MI
Romeo Community Schools – Romeo, MI
Saranac Community School District – Saranac, MI
Spring Lake School District – Spring Lake, MI
Upland Hills – Oxford, MI
Concord Academy-Petoskey – Petoskey, MI
New Buffalo Area Schools – New Buffalo, MI

2011-2012 School Year – Energy Efficiency Projects

Bishop Foley Catholic High School – Madison Heights, MI
Godwin Heights Public Schools – Wyoming, MI
Hazel Park School District – Brighton, MI
Jackson Intermediate School District – Jackson, MI
Kingsbury Country Day School – Oxford, MI
Manistee Catholic Central School – Manistee, MI
Our Lady of Sorrows School – Farmington, MI
St. Mary Cathedral School – Gaylord, MI
West Michigan Academy of Environmental Science – Grand Rapids, MI
Caro Community Schools – Caro, MI
Sturgis Public Schools – Sturgis, MI
Buchanan Community Schools – Buchanan, MI
Muskegon Christian School – Muskegon, MI

Michigan Companies Benefiting from the MRSP

2011-2012 School Year – Renewable Energy Program

Cascade Renewable Energy – Grand Rapids, MI NOVA Consultants – Novi, MI Windemuller Electric – Traverse City, MI

2011-2012 School Year – Energy Efficiency Program

AKT Peerless Environmental & Energy Services – Farmington, MI
Fanning Howey – Novi, MI
Fishbeck, Thompson, Carr & Huber – Grand Rapids, MI
GMB Architecture & Engineering – Holland, MI
Integrated Design Solutions – Troy, MI
Kelly-Tinker Architects – Ann Arbor, MI
Peter Basso Associates, Inc – Troy, MI
Process Results, Inc – Saline, MI
Progressive AE – Grand Rapids, MI
UP Engineers & Architects, Inc. – Houghton, MI